

**Michigan Municipal Bond Authority
2005 State Aid Note Program
August Loan Program
Anticipated Closing Date: August 19, 2005**

8 Step Borrowing Process

1. Borrower (School District) Selects Note Counsel

Selected note counsel must be recognized by The Bond Buyer's Municipal Marketplace Directory (a.k.a. the "Red Book"). You can contact the Authority for a listing of recognized note counsel, if necessary.

2. Borrower Completes Application and Cash Flow

Application and cash flow can be downloaded from the Authority website at:
www.michigan.gov/mmba

3. Borrower's Board of Education Adopts Borrowing Resolution

The borrowing resolution should be adopted prior to the Authority's application due date (see step #4). Contact your note counsel for the borrowing resolution.

4. Borrower Submits Required Documentation to the Authority

- a. Completed application with monthly and weekly cash flow (weekly cash flow for the month with largest deficit).
- b. Borrowing resolution adopted by your school district's board of education.
- c. Completed wiring instructions (see Step 6).

Documentation for August 2005 Borrowing needs to be received by: **June 27, 2005**

- 5. Borrower May Need to Obtain Approval from Michigan Department of Treasury, Local Audit and Finance Division (LAFD) to issue the note. Contact your note counsel for assistance, if needed.** Your note counsel may assist you with the application process for approval from LAFD, if your school district does not have "Qualifying Status" for this fiscal year.

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8 Step Borrowing Process (Continued)

6. Borrower Provides Wiring Instructions to the Authority

The Authority's form for wiring instructions is provided at the Authority's website. The completed form must be submitted to the Authority along with the application and resolution.

7. Authority Prices the Notes and Borrower Signs Purchase Contract

- **August 2, 2005** - the Authority will price the notes in the afternoon.
- **August 2, 2005** - the Authority will notify the borrowers, **by email**, of the interest rate.
- **By 10:00 A.M. August 3, 2005** - the school district notifies the Authority pursuant to the instructions in the e-mail of the acceptance of the interest rate.
- **August 4, 2005** - the school district will receive three copies of the purchase contracts by overnight mail. An authorized officer must sign the contracts, and a signed copy must be faxed to the Authority no later than 10:00 a.m. on **Friday August 5, 2005**.
- On or prior to **August 8, 2005** - one original signed copy of the purchase contract must be returned to the Authority pursuant to the instructions included in the overnight mail package.

8. Borrower's Note Counsel Submits all signed Closing Documents and Borrower Receives Funds

The Authority will deliver the forms of the closing documents to your note counsel in advance of the closing date.

Each borrower must coordinate with its note counsel to complete all required closing documents and obtain the appropriate signatures on the closing documents.

On or before **August 12, 2005** - each borrower's note counsel must deliver all required documents to the Authority.

On **August 19, 2005** - the Authority's trustee will wire note proceeds according to the instructions provided by the borrower (see step #6).